

SENATE SUBSTITUTE

FOR

HOUSE BILL NO. 184

AN ACT

To repeal sections 32.087, 67.1010, 135.960, 144.020, 144.021, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525, 144.610, 144.613, and 144.615, RSMo, and to enact in lieu thereof twenty new sections relating to taxation, with an emergency clause for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 32.087, 67.1010, 135.960, 144.020,
2 144.021, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525,
3 144.610, 144.613, and 144.615, RSMo, are repealed and twenty new
4 sections enacted in lieu thereof, to be known as sections 32.087,
5 67.1010, 135.960, 144.020, 144.021, 144.069, 144.071, 144.440,
6 144.450, 144.455, 144.525, 144.610, 144.613, 144.615, 620.2000,
7 620.2005, 620.2010, 620.2015, 620.2020, and 1, to read as
8 follows:

9 32.087. 1. Within ten days after the adoption of any
10 ordinance or order in favor of adoption of any local sales tax
11 authorized under the local sales tax law by the voters of a
12 taxing entity, the governing body or official of such taxing
13 entity shall forward to the director of revenue by United States
14 registered mail or certified mail a certified copy of the
15 ordinance or order. The ordinance or order shall reflect the
16 effective date thereof.

17 2. Any local sales tax so adopted shall become effective on

1 the first day of the second calendar quarter after the director
2 of revenue receives notice of adoption of the local sales tax,
3 except as provided in subsection 18 of this section, and shall be
4 imposed on all transactions on which the Missouri state sales tax
5 is imposed.

6 3. Every retailer within the jurisdiction of one or more
7 taxing entities which has imposed one or more local sales taxes
8 under the local sales tax law shall add all taxes so imposed
9 along with the tax imposed by the sales tax law of the state of
10 Missouri to the sale price and, when added, the combined tax
11 shall constitute a part of the price, and shall be a debt of the
12 purchaser to the retailer until paid, and shall be recoverable at
13 law in the same manner as the purchase price. The combined rate
14 of the state sales tax and all local sales taxes shall be the sum
15 of the rates, multiplying the combined rate times the amount of
16 the sale.

17 4. The brackets required to be established by the director
18 of revenue under the provisions of section 144.285 shall be based
19 upon the sum of the combined rate of the state sales tax and all
20 local sales taxes imposed under the provisions of the local sales
21 tax law.

22 5. (1) The ordinance or order imposing a local sales tax
23 under the local sales tax law shall impose a tax upon all
24 [sellers a tax for the privilege of engaging in the business of
25 selling tangible personal property or rendering taxable services
26 at retail] transactions upon which the Missouri state sales tax
27 is imposed to the extent and in the manner provided in sections
28 144.010 to 144.525, and the rules and regulations of the director

1 of revenue issued pursuant thereto; except that the rate of the
2 tax shall be the sum of the combined rate of the state sales tax
3 or state highway use tax and all local sales taxes imposed under
4 the provisions of the local sales tax law.

5 (2) Notwithstanding any other provision of law to the
6 contrary, local taxing jurisdictions, except those in which
7 voters have previously approved a local use tax under section
8 144.757, shall have placed on the ballot on or after the general
9 election in November 2014, but no later than the general election
10 in November 2016, whether to repeal application of the local
11 sales tax to the titling of motor vehicles, trailers, boats, and
12 outboard motors that are subject to state sales tax under section
13 144.020 and purchased from a source other than a licensed
14 Missouri dealer. The ballot question presented to the local
15 voters shall contain substantially the following language:

16 Shall the (local
17 jurisdiction's name) discontinue applying and collecting the
18 local sales tax on the titling of motor vehicles, trailers,
19 boats, and outboard motors that were purchased from a source
20 other than a licensed Missouri dealer? Approval of this measure
21 will result in a reduction of local revenue to provide for vital
22 services for (local jurisdiction's name)
23 and it will place Missouri dealers of motor vehicles, outboard
24 motors, boats, and trailers at a competitive disadvantage to non-
25 Missouri dealers of motor vehicles, outboard motors, boats, and
26 trailers.

27 ☐ YES ☐ NO

28 If you are in favor of the question, place an "X" in the box

1 opposite "YES". If you are opposed to the question, place an "X"
2 in the box opposite "NO".

3 (3) If the ballot question set forth in subdivision (2) of
4 this subsection receives a majority of the votes cast in favor of
5 the proposal, or if the local taxing jurisdiction fails to place
6 the ballot question before the voters on or before the general
7 election in November 2016, the local taxing jurisdiction shall
8 cease applying the local sales tax to the titling of motor
9 vehicles, trailers, boats, and outboard motors that were
10 purchased from a source other than a licensed Missouri dealer.

11 (4) In addition to the requirement that the ballot question
12 set forth in subdivision (2) of this subsection be placed before
13 the voters, the governing body of any local taxing jurisdiction
14 that had previously imposed a local use tax on the use of motor
15 vehicles, trailers, boats, and outboard motors may, at any time,
16 place a proposal on the ballot at any election to repeal
17 application of the local sales tax to the titling of motor
18 vehicles, trailers, boats, and outboard motors purchased from a
19 source other than a licensed Missouri dealer. If a majority of
20 the votes cast by the registered voters voting thereon are in
21 favor of the proposal to repeal application of the local sales
22 tax to such titling, then the local sales tax shall no longer be
23 applied to the titling of motor vehicles, trailers, boats, and
24 outboard motors purchased from a source other than a licensed
25 Missouri dealer. If a majority of the votes cast by the
26 registered voters voting thereon are opposed to the proposal to
27 repeal application of the local sales tax to such titling, such
28 application shall remain in effect.

1 (5) In addition to the requirement that the ballot question
2 set forth in subdivision (2) of this subsection be placed before
3 the voters on or after the general election in November 2014, and
4 on or before the general election in November 2016, whenever the
5 governing body of any local taxing jurisdiction imposing a local
6 sales tax on the sale of motor vehicles, trailers, boats, and
7 outboard motors receives a petition, signed by fifteen percent of
8 the registered voters of such jurisdiction voting in the last
9 gubernatorial election, calling for a proposal to be placed on
10 the ballot at any election to repeal application of the local
11 sales tax to the titling of motor vehicles, trailers, boats, and
12 outboard motors purchased from a source other than a licensed
13 Missouri dealer, the governing body shall submit to the voters of
14 such jurisdiction a proposal to repeal application of the local
15 sales tax to such titling. If a majority of the votes cast by
16 the registered voters voting thereon are in favor of the proposal
17 to repeal application of the local sales tax to such titling,
18 then the local sales tax shall no longer be applied to the
19 titling of motor vehicles, trailers, boats, and outboard motors
20 purchased from a source other than a licensed Missouri dealer.
21 If a majority of the votes cast by the registered voters voting
22 thereon are opposed to the proposal to repeal application of the
23 local sales tax to such titling, such application shall remain in
24 effect.

25 (6) Nothing in this subsection shall be construed to
26 authorize the voters of any jurisdiction to repeal application of
27 any state sales or use tax.

28 (7) If any local sales tax on the titling of motor

vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer is repealed, such repeal shall take effect on the first day of the second calendar quarter after the election. If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer is required to cease to be applied or collected due to failure of a local taxing jurisdiction to hold an election pursuant to subdivision (2) of this subsection, such cessation shall take effect on March 1, 2017.

6. On and after the effective date of any local sales tax imposed under the provisions of the local sales tax law, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes authorized under the authority of the local sales tax law. All local sales taxes imposed under the local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

7. All applicable provisions contained in sections 144.010 to 144.525 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of any local sales tax imposed under the local sales tax law except as modified by the local sales tax law.

8. All exemptions granted to agencies of government,

1 organizations, persons and to the sale of certain articles and
2 items of tangible personal property and taxable services under
3 the provisions of sections 144.010 to 144.525, as these sections
4 now read and as they may hereafter be amended, it being the
5 intent of this general assembly to ensure that the same sales tax
6 exemptions granted from the state sales tax law also be granted
7 under the local sales tax law, are hereby made applicable to the
8 imposition and collection of all local sales taxes imposed under
9 the local sales tax law.

10 9. The same sales tax permit, exemption certificate and
11 retail certificate required by sections 144.010 to 144.525 for
12 the administration and collection of the state sales tax shall
13 satisfy the requirements of the local sales tax law, and no
14 additional permit or exemption certificate or retail certificate
15 shall be required; except that the director of revenue may
16 prescribe a form of exemption certificate for an exemption from
17 any local sales tax imposed by the local sales tax law.

18 10. All discounts allowed the retailer under the provisions
19 of the state sales tax law for the collection of and for payment
20 of taxes under the provisions of the state sales tax law are
21 hereby allowed and made applicable to any local sales tax
22 collected under the provisions of the local sales tax law.

23 11. The penalties provided in section 32.057 and sections
24 144.010 to 144.525 for a violation of the provisions of those
25 sections are hereby made applicable to violations of the
26 provisions of the local sales tax law.

27 12. (1) For the purposes of any local sales tax imposed by
28 an ordinance or order under the local sales tax law, all sales,

1 except the sale of motor vehicles, trailers, boats, and outboard
2 motors required to be titled under the laws of the state of
3 Missouri, shall be deemed to be consummated at the place of
4 business of the retailer unless the tangible personal property
5 sold is delivered by the retailer or his agent to an out-of-state
6 destination. In the event a retailer has more than one place of
7 business in this state which participates in the sale, the sale
8 shall be deemed to be consummated at the place of business of the
9 retailer where the initial order for the tangible personal
10 property is taken, even though the order must be forwarded
11 elsewhere for acceptance, approval of credit, shipment or
12 billing. A sale by a retailer's agent or employee shall be
13 deemed to be consummated at the place of business from which he
14 works.

15 (2) For the purposes of any local sales tax imposed by an
16 ordinance or order under the local sales tax law, the sales tax
17 upon the titling of all [sales of] motor vehicles, trailers,
18 boats, and outboard motors shall be [deemed to be consummated]
19 imposed at the rate in effect at the location of the residence of
20 the purchaser and not at the place of business of the retailer,
21 or the place of business from which the retailer's agent or
22 employee works.

23 (3) For the purposes of any local tax imposed by an
24 ordinance or under the local sales tax law on charges for mobile
25 telecommunications services, all taxes of mobile
26 telecommunications service shall be imposed as provided in the
27 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116
28 through 124, as amended.

1 13. Local sales taxes [imposed pursuant to the local sales
2 tax law] shall not be imposed on the seller [on the purchase and
3 sale] of motor vehicles, trailers, boats, and outboard motors
4 [shall not be collected and remitted by the seller,] required to
5 be titled under the laws of the state of Missouri, but shall be
6 collected from the purchaser by the director of revenue at the
7 time application is made for a certificate of title, if the
8 address of the applicant is within a taxing entity imposing a
9 local sales tax under the local sales tax law.

10 14. The director of revenue and any of his deputies,
11 assistants and employees who have any duties or responsibilities
12 in connection with the collection, deposit, transfer,
13 transmittal, disbursement, safekeeping, accounting, or recording
14 of funds which come into the hands of the director of revenue
15 under the provisions of the local sales tax law shall enter a
16 surety bond or bonds payable to any and all taxing entities in
17 whose behalf such funds have been collected under the local sales
18 tax law in the amount of one hundred thousand dollars for each
19 such tax; but the director of revenue may enter into a blanket
20 bond covering himself and all such deputies, assistants and
21 employees. The cost of any premium for such bonds shall be paid
22 by the director of revenue from the share of the collections
23 under the sales tax law retained by the director of revenue for
24 the benefit of the state.

25 15. The director of revenue shall annually report on his
26 management of each trust fund which is created under the local
27 sales tax law and administration of each local sales tax imposed
28 under the local sales tax law. He shall provide each taxing

1 entity imposing one or more local sales taxes authorized by the
2 local sales tax law with a detailed accounting of the source of
3 all funds received by him for the taxing entity. Notwithstanding
4 any other provisions of law, the state auditor shall annually
5 audit each trust fund. A copy of the director's report and
6 annual audit shall be forwarded to each taxing entity imposing
7 one or more local sales taxes.

8 16. Within the boundaries of any taxing entity where one or
9 more local sales taxes have been imposed, if any person is
10 delinquent in the payment of the amount required to be paid by
11 him under the local sales tax law or in the event a determination
12 has been made against him for taxes and penalty under the local
13 sales tax law, the limitation for bringing suit for the
14 collection of the delinquent tax and penalty shall be the same as
15 that provided in sections 144.010 to 144.525. Where the director
16 of revenue has determined that suit must be filed against any
17 person for the collection of delinquent taxes due the state under
18 the state sales tax law, and where such person is also delinquent
19 in payment of taxes under the local sales tax law, the director
20 of revenue shall notify the taxing entity in the event any person
21 fails or refuses to pay the amount of any local sales tax due so
22 that appropriate action may be taken by the taxing entity.

23 17. Where property is seized by the director of revenue
24 under the provisions of any law authorizing seizure of the
25 property of a taxpayer who is delinquent in payment of the tax
26 imposed by the state sales tax law, and where such taxpayer is
27 also delinquent in payment of any tax imposed by the local sales
28 tax law, the director of revenue shall permit the taxing entity

1 to join in any sale of property to pay the delinquent taxes and
2 penalties due the state and to the taxing entity under the local
3 sales tax law. The proceeds from such sale shall first be
4 applied to all sums due the state, and the remainder, if any,
5 shall be applied to all sums due such taxing entity.

6 18. If a local sales tax has been in effect for at least
7 one year under the provisions of the local sales tax law and
8 voters approve reimposition of the same local sales tax at the
9 same rate at an election as provided for in the local sales tax
10 law prior to the date such tax is due to expire, the tax so
11 reimposed shall become effective the first day of the first
12 calendar quarter after the director receives a certified copy of
13 the ordinance, order or resolution accompanied by a map clearly
14 showing the boundaries thereof and the results of such election,
15 provided that such ordinance, order or resolution and all
16 necessary accompanying materials are received by the director at
17 least thirty days prior to the expiration of such tax. Any
18 administrative cost or expense incurred by the state as a result
19 of the provisions of this subsection shall be paid by the city or
20 county reimposing such tax.

21 67.1010. Any tax, and the revenues derived from the tax,
22 imposed under the provisions of sections 67.1006 to 67.1012 shall
23 be administered by the tourism commission, appointed under the
24 provisions of sections 67.1006 to 67.1012. The revenues received
25 from the tax shall be deposited by the commission in a special
26 fund and used solely for the promotion of tourism within the
27 county with at least fifty percent of the revenue used for joint
28 efforts to promote a state operated facility for the first five

1 years the tax is in effect. After the expiration of five years,
2 the commission shall decide on the use of the moneys. [None of
3 the revenue from the tax shall be used for salaries.]

4 135.960. 1. Any governing authority that desires to have
5 any portion of a city or unincorporated area of a county under
6 its control designated as an enhanced enterprise zone shall hold
7 a public hearing for the purpose of obtaining the opinion and
8 suggestions of those persons who will be affected by such
9 designation. [The governing authority shall notify the director
10 of such hearing at least thirty days prior thereto and shall
11 publish notice of such hearing in a newspaper of general
12 circulation in the area to be affected by such designation at
13 least twenty days prior to the date of the hearing but not more
14 than thirty days prior to such hearing. Such notice shall state
15 the time, location, date, and purpose of the hearing. The
16 director, or the director's designee, shall attend such hearing.]

17 2. After a public hearing is held as required in subsection
18 1 of this section, the governing authority may, [file a petition
19 with the department requesting the designation of] by a majority
20 vote of the members of the governing authority, adopt an
21 ordinance or resolution designating a specific area as an
22 enhanced enterprise zone. Such [petition] ordinance shall
23 include, in addition to a description of the physical, social,
24 and economic characteristics of the area:

25 (1) A plan to provide adequate police protection within the
26 area;

27 (2) A specific and practical process for individual
28 businesses to obtain waivers from burdensome local regulations,

1 ordinances, and orders which serve to discourage economic
2 development within the area to be designated an enhanced
3 enterprise zone, except that such waivers shall not substantially
4 endanger the health or safety of the employees of any such
5 business or the residents of the area;

6 (3) A description of what other specific actions will be
7 taken to support and encourage private investment within the
8 area;

9 (4) A plan to ensure that resources are available to assist
10 area residents to participate in increased development through
11 self-help efforts and in ameliorating any negative effects of
12 designation of the area as an enhanced enterprise zone;

13 (5) A statement describing the projected positive and
14 negative effects of designation of the area as an enhanced
15 enterprise zone;

16 (6) A specific plan to provide assistance to any person or
17 business dislocated as a result of activities within the enhanced
18 enterprise zone. Such plan shall determine the need of
19 dislocated persons for relocation assistance; provide, prior to
20 displacement, information about the type, location, and price of
21 comparable housing or commercial property; provide information
22 concerning state and federal programs for relocation assistance
23 and provide other advisory services to displaced persons. Public
24 agencies may choose to provide assistance under the Uniform
25 Relocation and Real Property Acquisition Act, 42 U.S.C. Section
26 4601, et seq., to meet the requirements of this subdivision; and

27 (7) A description or plan that demonstrates the
28 requirements of subsection 4 of section 135.953.

1 3. An enhanced enterprise zone designation shall [be
2 effective upon such approval by the department and shall] expire
3 in twenty-five years.

4 4. Each designated enhanced enterprise zone board shall
5 report to the director on an annual basis regarding the status of
6 the zone and business activity within the zone.

7 144.020. 1. A tax is hereby levied and imposed for the
8 privilege of titling new and used motor vehicles, trailers,
9 boats, and outboard motors purchased or acquired for use on the
10 highways or waters of this state which are required to be titled
11 under the laws of the state of Missouri and, except as provided
12 in subdivision (9) of this subsection, upon all sellers for the
13 privilege of engaging in the business of selling tangible
14 personal property or rendering taxable service at retail in this
15 state. The rate of tax shall be as follows:

16 (1) Upon every retail sale in this state of tangible
17 personal property, [including but not limited to] excluding motor
18 vehicles, trailers, motorcycles, mopeds, motortricycles, boats
19 and outboard motors required to be titled under the laws of the
20 state of Missouri and subject to tax under subdivision (9) of
21 this subsection, a tax equivalent to four percent of the purchase
22 price paid or charged, or in case such sale involves the exchange
23 of property, a tax equivalent to four percent of the
24 consideration paid or charged, including the fair market value of
25 the property exchanged at the time and place of the exchange,
26 except as otherwise provided in section 144.025;

27 (2) A tax equivalent to four percent of the amount paid for
28 admission and seating accommodations, or fees paid to, or in any

1 place of amusement, entertainment or recreation, games and
2 athletic events;

3 (3) A tax equivalent to four percent of the basic rate paid
4 or charged on all sales of electricity or electrical current,
5 water and gas, natural or artificial, to domestic, commercial or
6 industrial consumers;

7 (4) A tax equivalent to four percent on the basic rate paid
8 or charged on all sales of local and long distance
9 telecommunications service to telecommunications subscribers and
10 to others through equipment of telecommunications subscribers for
11 the transmission of messages and conversations and upon the sale,
12 rental or leasing of all equipment or services pertaining or
13 incidental thereto; except that, the payment made by
14 telecommunications subscribers or others, pursuant to section
15 144.060, and any amounts paid for access to the internet or
16 interactive computer services shall not be considered as amounts
17 paid for telecommunications services;

18 (5) A tax equivalent to four percent of the basic rate paid
19 or charged for all sales of services for transmission of messages
20 of telegraph companies;

21 (6) A tax equivalent to four percent on the amount of sales
22 or charges for all rooms, meals and drinks furnished at any
23 hotel, motel, tavern, inn, restaurant, eating house, drugstore,
24 dining car, tourist cabin, tourist camp or other place in which
25 rooms, meals or drinks are regularly served to the public;

26 (7) A tax equivalent to four percent of the amount paid or
27 charged for intrastate tickets by every person operating a
28 railroad, sleeping car, dining car, express car, boat, airplane

1 and such buses and trucks as are licensed by the division of
2 motor carrier and railroad safety of the department of economic
3 development of Missouri, engaged in the transportation of persons
4 for hire;

5 (8) A tax equivalent to four percent of the amount paid or
6 charged for rental or lease of tangible personal property,
7 provided that if the lessor or renter of any tangible personal
8 property had previously purchased the property under the
9 conditions of "sale at retail" or leased or rented the property
10 and the tax was paid at the time of purchase, lease or rental,
11 the lessor, sublessor, renter or subrenter shall not apply or
12 collect the tax on the subsequent lease, sublease, rental or
13 subrental receipts from that property. The purchase, rental or
14 lease of motor vehicles, trailers, motorcycles, mopeds,
15 motortricycles, boats, and outboard motors shall be taxed and the
16 tax paid as provided in this section and section 144.070. In no
17 event shall the rental or lease of boats and outboard motors be
18 considered a sale, charge, or fee to, for or in places of
19 amusement, entertainment or recreation nor shall any such rental
20 or lease be subject to any tax imposed to, for, or in such places
21 of amusement, entertainment or recreation. Rental and leased
22 boats or outboard motors shall be taxed under the provisions of
23 the sales tax laws as provided under such laws for motor vehicles
24 and trailers. Tangible personal property which is exempt from
25 the sales or use tax under section 144.030 upon a sale thereof is
26 likewise exempt from the sales or use tax upon the lease or
27 rental thereof.

28 (9) A tax equivalent to four percent of the purchase price,

1 as defined in section 144.070, of new and used motor vehicles,
2 trailers, boats, and outboard motors purchased or acquired for
3 use on the highways or waters of this state which are required to
4 be registered under the laws of the state of Missouri. This tax
5 is imposed on the person titling such property, and shall be paid
6 according to the procedures in section 144.440.

7 2. All tickets sold which are sold under the provisions of
8 sections 144.010 to 144.525 which are subject to the sales tax
9 shall have printed, stamped or otherwise endorsed thereon, the
10 words "This ticket is subject to a sales tax."

11 144.021. The purpose and intent of sections 144.010 to
12 144.510 is to impose a tax upon the privilege of engaging in the
13 business, in this state, of selling tangible personal property
14 and those services listed in section 144.020 and for the
15 privilege of titling new and used motor vehicles, trailers,
16 boats, and outboard motors purchased or acquired for use on the
17 highways or waters of this state which are required to be
18 registered under the laws of the state of Missouri. Except as
19 otherwise provided, the primary tax burden is placed upon the
20 seller making the taxable sales of property or service and is
21 levied at the rate provided for in section 144.020. Excluding
22 subdivision (9) of subsection 1 of section 144.020 and sections
23 144.070, 144.440 and 144.450, the extent to which a seller is
24 required to collect the tax from the purchaser of the taxable
25 property or service is governed by section 144.285 and in no way
26 affects sections 144.080 and 144.100, which require all sellers
27 to report to the director of revenue their "gross receipts",
28 defined herein to mean the aggregate amount of the sales price of

1 all sales at retail, and remit tax at four percent of their gross
2 receipts.

3 144.069. All sales taxes associated with the titling of
4 motor vehicles, trailers, boats and outboard motors under the
5 laws of Missouri shall be [deemed to be consummated] imposed at
6 the rate in effect at the location of the address of the owner
7 thereof, and all sales taxes associated with the titling of
8 vehicles under leases of over sixty-day duration of motor
9 vehicles, trailers, boats and outboard motors [subject to sales
10 taxes under this chapter] shall be [deemed to be consummated]
11 imposed at the rate in effect, unless the vehicle, trailer, boat
12 or motor has been registered and sales taxes have been paid prior
13 to the consummation of the lease agreement at the location of the
14 address of the lessee thereof on the date the lease is
15 consummated, and all applicable sales taxes levied by any
16 political subdivision shall be collected on such sales from the
17 purchaser or lessee by the state department of revenue on that
18 basis.

19 144.071. 1. In all cases where the purchaser of a motor
20 vehicle, trailer, boat or outboard motor rescinds the sale of
21 that motor vehicle, trailer, boat or outboard motor and receives
22 a refund of the purchase price and returns the motor vehicle,
23 trailer, boat or outboard motor to the seller within sixty
24 calendar days from the date of the sale, any [the sales or use]
25 tax paid to the department of revenue shall be refunded to the
26 purchaser upon proper application to the director of revenue.

27 2. In any rescission whereby a seller reacquires title to
28 the motor vehicle, trailer, boat or outboard motor sold by him

1 and the reacquisition is within sixty calendar days from the date
2 of the original sale, the person reacquiring the motor vehicle,
3 trailer, boat or outboard motor shall be entitled to a refund of
4 any [sales or use] tax paid as a result of the reacquisition of
5 the motor vehicle, trailer, boat or outboard motor, upon proper
6 application to the director of revenue.

7 3. Any city or county [sales or use] tax refunds shall be
8 deducted by the director of revenue from the next remittance made
9 to that city or county.

10 4. Each claim for refund must be made within one year after
11 payment of the tax on which the refund is claimed.

12 5. As used in this section, the term "boat" includes all
13 motorboats and vessels as the terms "motorboat" and "vessel" are
14 defined in section 306.010.

15 144.440. 1. [In addition to all other taxes now or
16 hereafter levied and imposed upon every person for the privilege
17 of using the highways or waterways of this state, there is hereby
18 levied and imposed a tax equivalent to four percent of the
19 purchase price, as defined in section 144.070, which is paid or
20 charged on new and used motor vehicles, trailers, boats, and
21 outboard motors purchased or acquired for use on the highways or
22 waters of this state which are required to be registered under
23 the laws of the state of Missouri.

24 2.] At the time the owner of any [such] motor vehicle,
25 trailer, boat, or outboard motor makes application to the
26 director of revenue for an official certificate of title and the
27 registration of the same as otherwise provided by law, he shall
28 present to the director of revenue evidence satisfactory to the

1 director showing the purchase price paid by or charged to the
2 applicant in the acquisition of the motor vehicle, trailer, boat,
3 or outboard motor, or that the motor vehicle, trailer, boat, or
4 outboard motor is not subject to the tax herein provided and, if
5 the motor vehicle, trailer, boat, or outboard motor is subject to
6 the tax herein provided, the applicant shall pay or cause to be
7 paid to the director of revenue the tax provided herein.

8 [3.] 2. In the event that the purchase price is unknown or
9 undisclosed, or that the evidence thereof is not satisfactory to
10 the director of revenue, the same shall be fixed by appraisement
11 by the director.

12 [4.] 3. No certificate of title shall be issued for such
13 motor vehicle, trailer, boat, or outboard motor unless the tax
14 for the privilege of using the highways or waters of this state
15 has been paid or the vehicle, trailer, boat, or outboard motor is
16 registered under the provisions of subsection 5 of this section.

17 [5.] 4. The owner of any motor vehicle, trailer, boat, or
18 outboard motor which is to be used exclusively for rental or
19 lease purposes may pay the tax due thereon required in section
20 144.020 at the time of registration or in lieu thereof may pay a
21 [use] sales tax as provided in sections 144.010, 144.020, 144.070
22 and 144.440. A [use] sales tax shall be charged and paid on the
23 amount charged for each rental or lease agreement while the motor
24 vehicle, trailer, boat, or outboard motor is domiciled in the
25 state. If the owner elects to pay upon each rental or lease, he
26 shall make an affidavit to that effect in such form as the
27 director of revenue shall require and shall remit the tax due at
28 such times as the director of revenue shall require.

1 [6.] 5. In the event that any leasing company which rents
2 or leases motor vehicles, trailers, boats, or outboard motors
3 elects to collect a [use] sales tax[,] all of its lease receipts
4 would be subject to the [use] sales tax[,] regardless of whether
5 or not the leasing company previously paid a sales tax when the
6 vehicle, trailer, boat, or outboard motor was originally
7 purchased.

8 [7.] 6. The provisions of this section, and the tax
9 imposed by this section, shall not apply to manufactured homes.

10 144.450. In order to avoid double taxation under the
11 provisions of sections 144.010 to 144.510, any person who
12 purchases a motor vehicle, trailer, manufactured home, boat, or
13 outboard motor in any other state and seeks to register or obtain
14 a certificate of title for it in this state shall be credited
15 with the amount of any sales tax or use tax shown to have been
16 previously paid by him on the purchase price of such motor
17 vehicle, trailer, boat, or outboard motor in such other state.
18 The tax imposed by subdivision (9) of subsection 1 of section
19 [144.440] 144.020 shall not apply:

20 (1) [To motor vehicles, trailers, boats, or outboard motors
21 on account of which the sales tax provided by sections 144.010 to
22 144.510 shall have been paid;

23 (2)] To motor vehicles, trailers, boats, or outboard motors
24 brought into this state by a person moving any such vehicle,
25 trailer, boat, or outboard motor into Missouri from another state
26 who shall have registered and in good faith regularly operated
27 any such motor vehicle, trailer, boat, or outboard motor in such
28 other state at least ninety days prior to the time it is

1 registered in this state;

2 [(3)] (2) To motor vehicles, trailers, boats, or outboard
3 motors acquired by registered dealers for resale;

4 [(4)] (3) To motor vehicles, trailers, boats, or outboard
5 motors purchased, owned or used by any religious, charitable or
6 eleemosynary institution for use in the conduct of regular
7 religious, charitable or eleemosynary functions and activities;

8 [(5)] (4) To motor vehicles owned and used by religious
9 organizations in transferring pupils to and from schools
10 supported by such organization;

11 [(6)] (5) Where the motor vehicle, trailer, boat, or
12 outboard motor has been acquired by the applicant for a
13 certificate of title therefor by gift or under a will or by
14 inheritance, and the tax hereby imposed has been paid by the
15 donor or decedent;

16 [(7)] (6) To any motor vehicle, trailer, boat, or outboard
17 motor owned or used by the state of Missouri or any other
18 political subdivision thereof, or by an educational institution
19 supported by public funds; or

20 [(8)] (7) To farm tractors.

21 144.455. The tax imposed by subdivision (9) of subsection 1
22 of section [144.440] 144.020 on motor vehicles and trailers is
23 levied for the purpose of providing revenue to be used by this
24 state to defray in whole or in part the cost of constructing,
25 widening, reconstructing, maintaining, resurfacing and repairing
26 the public highways, roads and streets of this state, and the
27 cost and expenses incurred in the administration and enforcement
28 of subdivision (9) of subsection 1 of section 144.020 and

1 sections 144.440 to 144.455, and for no other purpose whatsoever,
2 and all revenue collected or received by the director of revenue
3 from the tax imposed by subdivision (9) of subsection 1 of
4 section [144.440] 144.020 on motor vehicles and trailers shall be
5 promptly deposited [in the state treasury to the credit of the
6 state highway department fund] as dictated by article IV, section
7 30(b) of the Constitution of Missouri.

8 144.525. Notwithstanding any other provision of law, the
9 amount of any state and local sales [or use] taxes due on the
10 purchase of a motor vehicle, trailer, boat or outboard motor
11 required to be registered under the provisions of sections
12 301.001 to 301.660 and sections 306.010 to 306.900 shall be
13 computed on the rate of such taxes in effect on the date the
14 purchaser submits application for a certificate of ownership to
15 the director of revenue; except that, in the case of a sale at
16 retail, of an outboard motor by a retail business which is not
17 required to be registered under the provisions of section
18 301.251, the amount of state and local [sales and use] taxes due
19 shall be computed on the rate of such taxes in effect as of the
20 calendar date of the retail sale.

21 144.610. 1. A tax is imposed for the privilege of storing,
22 using or consuming within this state any article of tangible
23 personal property, excluding motor vehicles, trailers,
24 motorcycles, mopeds, motortricycles, boats, and outboard motors
25 required to be titled under the laws of the state of Missouri and
26 subject to tax under subdivision (9) of subsection 1 of section
27 144.020, purchased on or after the effective date of sections
28 144.600 to 144.745 in an amount equivalent to the percentage

1 imposed on the sales price in the sales tax law in section
2 144.020. This tax does not apply with respect to the storage,
3 use or consumption of any article of tangible personal property
4 purchased, produced or manufactured outside this state until the
5 transportation of the article has finally come to rest within
6 this state or until the article has become commingled with the
7 general mass of property of this state.

8 2. Every person storing, using or consuming in this state
9 tangible personal property subject to the tax in subsection 1 of
10 this section is liable for the tax imposed by this law, and the
11 liability shall not be extinguished until the tax is paid to this
12 state, but a receipt from a vendor authorized by the director of
13 revenue under the rules and regulations that he prescribes to
14 collect the tax, given to the purchaser in accordance with the
15 provisions of section 144.650, relieves the purchaser from
16 further liability for the tax to which receipt refers.

17 3. Because this section no longer imposes a Missouri use
18 tax on the storage, use, or consumption of motor vehicles,
19 trailers, motorcycles, mopeds, motortricycles, boats, and
20 outboard motors required to be titled under the laws of the state
21 of Missouri, in that the state sales tax is now imposed on the
22 titling of such property, the local sales tax, rather than the
23 local use tax, applies.

24 144.613. Notwithstanding the provisions of section 144.655,
25 at the time the owner of any new or used boat or boat motor which
26 was acquired after December 31, 1979, in a transaction subject to
27 [use] tax under [the Missouri use tax law] this chapter makes
28 application to the director of revenue for the registration of

1 the boat or boat motor, he shall present to the director of
2 revenue evidence satisfactory to the director of revenue showing
3 the purchase price, exclusive of any charge incident to the
4 extension of credit, paid by or charged to the applicant in the
5 acquisition of the boat or boat motor, or that no sales or use
6 tax was incurred in its acquisition, and, if [sales or use] tax
7 was incurred in its acquisition, that the same has been paid, or
8 the applicant shall pay or cause to be paid to the director of
9 revenue the [use] tax provided by [the Missouri use tax law] this
10 chapter in addition to the registration fees now or hereafter
11 required according to law, and the director of revenue shall not
12 issue a registration for any new or used boat or boat motor
13 subject to [use] tax [as provided in the Missouri use tax law] in
14 this chapter until the tax levied for the use of the same under
15 [sections 144.600 to 144.748] this chapter has been paid.

16 144.615. There are specifically exempted from the taxes
17 levied in sections 144.600 to 144.745:

18 (1) Property, the storage, use or consumption of which this
19 state is prohibited from taxing pursuant to the constitution or
20 laws of the United States or of this state;

21 (2) Property, the gross receipts from the sale of which are
22 required to be included in the measure of the tax imposed
23 pursuant to the Missouri sales tax law;

24 (3) Tangible personal property, the sale or other transfer
25 of which, if made in this state, would be exempt from or not
26 subject to the Missouri sales tax pursuant to the provisions of
27 subsection 2 of section 144.030;

28 (4) Motor vehicles, trailers, boats, and outboard motors

subject to the tax imposed by section ~~[144.440]~~ 144.020;

(5) Tangible personal property which has been subjected to a tax by any other state in this respect to its sales or use; provided, if such tax is less than the tax imposed by sections 144.600 to 144.745, such property, if otherwise taxable, shall be subject to a tax equal to the difference between such tax and the tax imposed by sections 144.600 to 144.745;

(6) Tangible personal property held by processors, retailers, importers, manufacturers, wholesalers, or jobbers solely for resale in the regular course of business;

(7) Personal and household effects and farm machinery used while an individual was a bona fide resident of another state and who thereafter became a resident of this state, or tangible personal property brought into the state by a nonresident for his own storage, use or consumption while temporarily within the state.

620.2000. Sections 620.2000 to 620.2020 shall be known and may be cited as the "Missouri Works Program".

620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:

(1) "Average wage", the new payroll divided by the number of new jobs, or the payroll of the retained jobs divided by the number of retained jobs;

(2) "Commencement of operations", the starting date for the qualified company's first new employee, which shall be no later than twelve months from the date of the approval;

(3) "County average wage", the average wages in each county as determined by the department for the most recently completed

1 full calendar year. However, if the computed county average wage
2 is above the statewide average wage, the statewide average wage
3 shall be deemed the county average wage for such county for the
4 purpose of determining eligibility. The department shall publish
5 the county average wage for each county at least annually.
6 Notwithstanding the provisions of this subdivision to the
7 contrary, for any qualified company that in conjunction with
8 their project is relocating employees from a Missouri county with
9 a higher county average wage, the company shall obtain the
10 endorsement of the governing body of the community from which
11 jobs are being relocated or the county average wage for their
12 project shall be the county average wage for the county from
13 which the employees are being relocated;

14 (4) "Department", the Missouri department of economic
15 development;

16 (5) "Director", the director of the department of economic
17 development;

18 (6) "Employee", a person employed by a qualified company,
19 excluding:

20 (a) Owners of the qualified company unless the qualified
21 company is participating in an employee stock ownership plan; or

22 (b) Owners of a non-controlling interest in stock of a
23 qualified company that is publically traded;

24 (7) "Existing Missouri business", a qualified company that,
25 for the ten-year period preceding submission of a notice of
26 intent to the department, had a physical location in Missouri and
27 full-time employees who routinely perform job duties within
28 Missouri;

1 (8) "Full-time employee", an employee of the qualified
2 company that is scheduled to work an average of at least thirty-
3 five hours per week for a twelve-month period, and one for which
4 the qualified company offers health insurance and pays at least
5 fifty percent of such insurance premiums. An employee that
6 spends less than fifty percent of the employee's work time at the
7 facility shall be considered to be located at a facility if the
8 employee receives his or her directions and control from that
9 facility, is on the facility's payroll, one hundred percent of
10 the employee's income from such employment is Missouri income,
11 and the employee is paid at or above the applicable percentage of
12 the county average wage;

13 (9) "Local incentives", the present value of the dollar
14 amount of direct benefit received by a qualified company for a
15 project facility from one or more local political subdivisions,
16 but this term shall not include loans or other funds provided to
17 the qualified company that shall be repaid by the qualified
18 company to the political subdivision;

19 (10) "NAICS" or "NAICS industry classification", the
20 classification provided by the most recent edition of the North
21 American Industry Classification System as prepared by the
22 Executive Office of the President, Office of Management and
23 Budget;

24 (11) "New capital investment", shall include costs incurred
25 by the qualified company at the project facility after acceptance
26 by the qualified company of the proposal for benefits from the
27 department or the approval notice of intent, whichever occurs
28 first, for real or personal property, and may include the value

1 of finance or capital leases for real or personal property for
2 the term of such lease at the project facility executed after
3 acceptance by the qualified company of the proposal for benefits
4 from the department or the approval of the notice of intent;

5 (12) "New direct local revenue", the present value of the
6 dollar amount of direct net new tax revenues of the local
7 political subdivisions likely to be produced by the project over
8 a ten-year period as calculated by the department, excluding
9 local earnings tax, and net new utility revenues, provided the
10 local incentives include a discount or other direct incentives
11 from utilities owned or operated by the political subdivision;

12 (13) "New job", the number of full-time employees located
13 at the project facility that exceeds the project facility base
14 employment less any decrease in the number of full-time employees
15 at related facilities below the related facility base employment.
16 No job that was created prior to the date of the notice of intent
17 shall be deemed a new job;

18 (14) "New payroll", the amount of wages paid for all new
19 jobs, located at the project facility during the qualified
20 company's tax year that exceeds the project facility base
21 payroll;

22 (15) "Notice of intent", a form developed by the department
23 and available online, completed by the qualified company, and
24 submitted to the department stating the qualified company's
25 intent to request benefits under this program;

26 (16) "Percent of local incentives", the amount of local
27 incentives divided by the amount of new direct local revenue;

28 (17) "Program", the Missouri works program established in

1 sections 620.2000 to 620.2020;

2 (18) "Project facility", the building or buildings used by
3 a qualified company at which new or retained jobs and any new
4 capital investment are or will be located. A project facility
5 may include separate buildings located within sixty miles of each
6 other such that their purpose and operations are interrelated;
7 provided that where the buildings making up the project facility
8 are not located within the same county, the average wage of the
9 new payroll shall exceed the applicable percentage of the highest
10 county average wage among the counties in which the buildings are
11 located. Upon approval by the department, a subsequent project
12 facility may be designated if the qualified company demonstrates
13 a need to relocate to the subsequent project facility at any time
14 during the project period;

15 (19) "Project facility base employment", the greater of the
16 number of full-time employees located at the project facility on
17 the date of the notice of intent or, for the twelve-month period
18 prior to the date of the notice of intent, the average number of
19 full-time employees located at the project facility. In the
20 event the project facility has not been in operation for a full
21 twelve-month period, the average number of full-time employees
22 for the number of months the project facility has been in
23 operation prior to the date of the notice of intent;

24 (20) "Project facility base payroll", the annualized
25 payroll for the project facility base employment or the total
26 amount of wages paid by the qualified company to full-time
27 employees of the qualified company located at the project
28 facility in the twelve months prior to the notice of intent. For

1 purposes of calculating the benefits under this program, the
2 amount of base payroll shall increase each year based on an
3 appropriate measure, as determined by the department;

4 (21) "Project period", the time period within which
5 benefits are awarded to a qualified company or within which the
6 qualified company is obligated to perform under an agreement with
7 the department, whichever is greater;

8 (22) "Projected net fiscal benefit", the total fiscal
9 benefit to the state less any state benefits offered to the
10 qualified company, as determined by the department;

11 (23) "Qualified company", a firm, partnership, joint
12 venture, association, private or public corporation whether
13 organized for profit or not, or headquarters of such entity
14 registered to do business in Missouri that is the owner or
15 operator of a project facility, certifies that it offers health
16 insurance to all full-time employees of all facilities located in
17 this state, and certifies that it pays at least fifty percent of
18 such insurance premiums. For the purposes of sections 620.2000
19 to 620.2020, the term "qualified company" shall not include:

20 (a) Gambling establishments (NAICS industry group 7132);

21 (b) Store front consumer-based retail trade establishments
22 (under NAICS sectors 44 and 45), except with respect to any
23 company headquartered in this state with a majority of its full-
24 time employees engaged in operations not within the NAICS codes
25 specified in this subdivision;

26 (c) Food and drinking places (NAICS subsector 722);

27 (d) Public utilities (NAICS 221 including water and sewer
28 services);

1 (e) Any company that is delinquent in the payment of any
2 nonprotested taxes or any other amounts due the state or federal
3 government or any other political subdivision of this state;

4 (f) Any company requesting benefits for retained jobs that
5 has filed for or has publicly announced its intention to file for
6 bankruptcy protection. However, a company that has filed for or
7 has publicly announced its intention to file for bankruptcy, may
8 be a qualified company provided that such company:

9 a. Certifies to the department that it plans to reorganize
10 and not to liquidate; and

11 b. After its bankruptcy petition has been filed, it
12 produces proof, in a form and at times satisfactory to the
13 department, that it is not delinquent in filing any tax returns
14 or making any payment due to the state of Missouri, including but
15 not limited to all tax payments due after the filing of the
16 bankruptcy petition and under the terms of the plan of
17 reorganization.

18
19 Any taxpayer who is awarded benefits under this subsection and
20 who files for bankruptcy under Chapter 7 of the United States
21 Bankruptcy Code, Title 11 U.S.C., shall immediately notify the
22 department and shall forfeit such benefits and shall repay the
23 state an amount equal to any state tax credits already redeemed
24 and any withholding taxes already retained;

25 (g) Educational services (NAICS sector 61);

26 (h) Religious organizations (NAICS industry group 8131);

27 (i) Public administration (NAICS sector 92);

28 (j) Ethanol distillation or production;

- (k) Biodiesel production; or
(l) Healthcare and social services (NAICS sector 62).

Notwithstanding any provision of this section to the contrary,
the headquarters, administrative offices, or research and
development facilities of an otherwise excluded business may
qualify for benefits if the offices or facilities serve a
multistate territory. In the event a national, state, or
regional headquarters operation is not the predominant activity
of a project facility, the jobs and investment of such operation
shall be considered eligible for benefits under this section if
the other requirements are satisfied;

(24) "Related company", shall mean:

(a) A corporation, partnership, trust, or association
controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or
association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations
controlled by an individual, corporation, partnership, trust, or
association in control of the qualified company. As used in this
paragraph, "control of a qualified company" shall mean:

a. Ownership, directly or indirectly, of stock possessing
at least fifty percent of the total combined voting power of all
classes of stock entitled to vote in the case of a qualified
company that is a corporation;

b. Ownership of at least fifty percent of the capital or
profits interest in such qualified company if it is a partnership
or association;

1 c. Ownership, directly or indirectly, of at least fifty
2 percent of the beneficial interest in the principal or income of
3 such qualified company if it is a trust, and ownership shall be
4 determined as provided in Section 318 of the Internal Revenue
5 Code of 1986, as amended;

6 (25) "Related facility", a facility operated by the
7 qualified company or a related company located in this state that
8 is directly related to the operations of the project facility or
9 in which operations substantially similar to the operations of
10 the project facility are performed;

11 (26) "Related facility base employment", the greater of the
12 number of full-time employees located at all related facilities
13 on the date of the notice of intent or, for the twelve-month
14 period prior to the date of the notice of intent, the average
15 number of full-time employees located at all related facilities
16 of the qualified company or a related company located in this
17 state;

18 (27) "Related facility base payroll", the annualized
19 payroll of the related facility base payroll or the total amount
20 of taxable wages paid by the qualified company to full-time
21 employees of the qualified company located at a related facility
22 in the twelve months prior to the filing of the notice of intent.
23 For purposes of calculating the benefits under this program, the
24 amount of related facility base payroll shall increase each year
25 based on an appropriate measure, as determined by the department;

26 (28) "Rural area", a county in Missouri with a population
27 less than seventy-five thousand or that does not contain an
28 individual city with a population greater than fifty thousand

1 according to the most recent federal decennial census;

2 (29) "Tax credits", tax credits issued by the department to
3 offset the state taxes imposed by chapters 143 and 148, or which
4 may be sold or refunded as provided for in this program;

5 (30) "Withholding tax", the state tax imposed by sections
6 143.191 to 143.265. For purposes of this program, the
7 withholding tax shall be computed using a schedule as determined
8 by the department based on average wages; and

9 (31) This section is subject to the provisions of section
10 196.1127.

11 620.2010. 1. In exchange for the consideration provided by
12 the new tax revenues and other economic stimuli that will be
13 generated by the new jobs created, a qualified company may, for a
14 period of five years from the date the new jobs are created, or
15 for a period of six years from the date the new jobs are created
16 if the qualified company is an existing Missouri business, retain
17 an amount equal to the withholding tax as calculated under
18 subdivision (30) of section 620.2005 from the new jobs that would
19 otherwise be withheld and remitted by the qualified company under
20 the provisions of sections 143.191 to 143.265 if:

21 (1) The qualified company creates ten or more new jobs, and
22 the average wage of the new payroll equals or exceeds ninety
23 percent of the county average wage;

24 (2) The qualified company creates two or more new jobs at a
25 project facility located in a rural area, the average wage of the
26 new payroll equals or exceeds ninety percent of the county
27 average wage, and the qualified company commits to making at
28 least one hundred thousand dollars of new capital investment at

1 the project facility within two years; or

2 (3) The qualified company creates two or more new jobs at a
3 project facility located within a zone designated under sections
4 135.950 to 135.963, the average wage of the new payroll equals or
5 exceeds eighty percent of the county average wage, and the
6 qualified company commits to making at least one hundred thousand
7 dollars in new capital investment at the project facility within
8 two years of approval;

9 2. In addition to any benefits available under subsection 1
10 of this section, the department may award a qualified company
11 that satisfies subdivision (1) of subsection 1 of this section
12 additional tax credits, issued each year for a period of five
13 years from the date the new jobs are created, or for a period of
14 six years from the date the new jobs are created if the qualified
15 company is an existing Missouri business, in an amount equal to
16 or less than six percent of new payroll; provided that in no
17 event may the total amount of benefits awarded to a qualified
18 company under this section exceed nine percent of new payroll in
19 any calendar year. The amount of tax credits awarded to a
20 qualified company under this subsection shall not exceed the
21 projected net fiscal benefit to the state, as determined by the
22 department, and shall not exceed the least amount necessary to
23 obtain the qualified company's commitment to initiate the
24 project. In determining the amount of tax credits to award to a
25 qualified company under this subsection, the department shall
26 consider the following factors:

27 (1) The significance of the qualified company's need for
28 program benefits;

1 (2) The amount of projected net fiscal benefit to the state
2 of the project and the period in which the state would realize
3 such net fiscal benefit;

4 (3) The overall size and quality of the proposed project,
5 including the number of new jobs, new capital investment,
6 proposed wages, growth potential of the qualified company, the
7 potential multiplier effect of the project, and similar factors;

8 (4) The financial stability and creditworthiness of the
9 qualified company;

10 (5) The level of economic distress in the area;

11 (6) An evaluation of the competitiveness of alternative
12 locations for the project facility, as applicable; and

13 (7) The percent of local incentives committed;

14 3. Upon approval of a notice of intent to receive tax
15 credits under subsections 2 and 5 of this section, the department
16 and the qualified company shall enter into a written agreement
17 covering the applicable project period. The agreement shall
18 specify, at a minimum:

19 (1) The committed number of new jobs, new payroll, and new
20 capital investment for each year during the project period;

21 (2) The date or time period during which the tax credits
22 shall be issued, which may be immediately or over a period not to
23 exceed two years from the date of approval of the notice of
24 intent;

25 (3) Clawback provisions, as may be required by the
26 department; and

27 (4) Any other provisions the department may require.

28 4. In lieu of the benefits available under sections 1 and 2

1 of this section, and in exchange for the consideration provided
2 by the new tax revenues and other economic stimuli that will be
3 generated by the new jobs created by the program, a qualified
4 company may, for a period of five years from the date the new
5 jobs are created, or for a period of six years from the date the
6 new jobs are created if the qualified company is an existing
7 Missouri business, retain an amount equal to the withholding tax
8 as calculated under subdivision (30) of section 620.2005 from the
9 new jobs that would otherwise be withheld and remitted by the
10 qualified company under the provisions of sections 143.191 to
11 143.265 equal to:

12 (1) Six percent of new payroll for a period of five years
13 from the date the required number of new jobs were created if the
14 qualified company creates one hundred or more new jobs and the
15 average wage of the new payroll equals or exceeds one hundred
16 twenty percent of the county average wage of the county in which
17 the project facility is located; or

18 (2) Seven percent of new payroll for a period of five years
19 from the date the required number of jobs were created if the
20 qualified company creates one hundred or more new jobs and the
21 average wage of the new payroll equals or exceeds one hundred
22 forty percent of the county average wage of the county in which
23 the project facility is located.

24
25 The department shall issue a refundable tax credit for any
26 difference between the amount of benefit allowed under this
27 subsection and the amount of withholding tax retained by the
28 company, in the event the withholding tax is not sufficient to

1 provide the entire amount of benefit due to the qualified company
2 under this subsection.

3 5. In addition to the benefits available under subsections
4 4 of this section, the department may award a qualified company
5 that satisfies the provisions of subsection 4 of this section
6 additional tax credits, issued each year for a period of five
7 years from the date the new jobs are created, or for a period of
8 six years from the date the new jobs are created if the qualified
9 company is an existing Missouri business, in an amount equal to
10 or less than three percent of new payroll; provided that in no
11 event may the total amount of benefits awarded to a qualified
12 company under this section exceed nine percent of new payroll in
13 any calendar year. The amount of tax credits awarded to a
14 qualified company under this subsection shall not exceed the
15 projected net fiscal benefit to the state, as determined by the
16 department, and shall not exceed the least amount necessary to
17 obtain the qualified company's commitment to initiate the
18 project. In determining the amount of tax credits to award to a
19 qualified company under this subsection, the department shall
20 consider the factors provided under subsection 2 of this section.

21 6. No benefits shall be available under this section for
22 any qualified company that has performed significant, project-
23 specific site work at the project facility, purchased machinery
24 or equipment related to the project, or has publicly announced
25 its intention to make new capital investment at the project
26 facility prior to receipt of a proposal for benefits under this
27 section or approval of its notice of intent, whichever occurs
28 first.

1 620.2015. 1. In exchange for the consideration provided by
2 the tax revenues and other economic stimuli that will be
3 generated by the retention of jobs and the making of new capital
4 investment in this state, a qualified company may be eligible to
5 receive the benefits described in this section if the department
6 determines that there is a significant probability that the
7 qualified company would relocate to another state in the absence
8 of the benefits authorized under this section. In no event shall
9 the total amount of benefits available to all qualified companies
10 under this section exceed six million dollars in any fiscal year.

11 2. A qualified company meeting the requirements of this
12 section may be authorized to retain an amount not to exceed one
13 hundred percent of the withholding tax from full-time jobs that
14 would otherwise be withheld and remitted by the qualified company
15 under the provisions of sections 143.191 to 143.265, for a period
16 of ten years if the average wage of the retained jobs equals or
17 exceeds ninety percent of the county average wage. In order to
18 receive benefits under this section, a qualified company shall
19 enter into written agreement with the department containing
20 detailed performance requirements and repayment penalties in
21 event of nonperformance. The amount of benefits awarded to a
22 qualified company under this section shall not exceed the
23 projected net fiscal benefit and shall not exceed the least
24 amount necessary to obtain the qualified company's commitment to
25 retain the necessary number of jobs and make the required new
26 capital investment.

27 3. In order to be eligible to receive benefits under this
28 section, the qualified company shall meet each of the following

1 conditions:

2 (1) The qualified company shall agree to retain, for a
3 period of ten years from the date of approval of the notice of
4 intent, at least fifty retained jobs; and

5 (2) The qualified company shall agree to make a new capital
6 investment at the project facility within three years of the
7 approval in an amount equal to one-half the total benefits,
8 available under this section, which are offered to the qualified
9 company by the department.

10 4. In awarding benefits under this section, the department
11 shall consider the factors set forth in subsection 2 of section
12 620.2010.

13 5. Upon approval of a notice of intent to request benefits
14 under this section, the department and the qualified company
15 shall enter into a written agreement covering the applicable
16 project period. The agreement shall specify, at a minimum:

17 (1) The committed number of retained jobs, payroll, and new
18 capital investment for each year during the project period;

19 (2) Clawback provisions, as may be required by the
20 department; and

21 (3) Any other provisions the department may require.

22 620.2020. 1. The department shall respond to a written
23 request, by or on behalf of a qualified company, for a proposed
24 benefit award under the provisions of this program within five
25 business days of receipt of such request. Such response shall
26 contain either a proposal of benefits for the qualified company,
27 or a written response refusing to provide such a proposal and
28 stating the reasons for such refusal. A qualified company that

1 intends to seek benefits under the program shall submit to the
2 department a notice of intent. The department shall respond
3 within thirty days to a notice of intent with an approval or a
4 rejection, provided that the department may withhold approval or
5 provide a contingent approval until it is satisfied that proper
6 documentation of eligibility has been provided. Failure to
7 respond on behalf of the department shall result in the notice of
8 intent being deemed approved. A qualified company receiving
9 approval for program benefits may receive additional benefits for
10 subsequent new jobs at the same facility after the full initial
11 project period if the applicable minimum job requirements are
12 met. There shall be no limit on the number of project periods a
13 qualified company may participate in the program, and a qualified
14 company may elect to file a notice of intent to begin a new
15 project period concurrent with an existing project period if the
16 applicable minimum job requirements are achieved, the qualified
17 company provides the department with the required annual
18 reporting, and the qualified company is in compliance with this
19 program and any other state programs in which the qualified
20 company is currently or has previously participated. However,
21 the qualified company shall not receive any further program
22 benefits under the original approval for any new jobs created
23 after the date of the new notice of intent, and any jobs created
24 before the new notice of intent shall not be included as new jobs
25 for purposes of the benefit calculation for the new approval.
26 When a qualified company has filed and received approval of a
27 notice of intent and subsequently files another notice of intent,
28 the department shall apply the definition of project facility

1 under subdivision (18) of section 620.2005 to the new notice of
2 intent as well as all previously approved notices of intent and
3 shall determine the application of the definitions of new job,
4 new payroll, project facility base employment, and project
5 facility base payroll accordingly.

6 2. Notwithstanding any provision of law to the contrary,
7 the benefits available to the qualified company under any other
8 state programs for which the company is eligible and which
9 utilize withholding tax from the new or retained jobs of the
10 company shall first be credited to the other state program before
11 the withholding retention level applicable under this program
12 will begin to accrue. If any qualified company also participates
13 in a job training program utilizing withholding tax, the company
14 shall retain no withholding tax under this program, but the
15 department shall issue a refundable tax credit for the full
16 amount of benefit allowed under this program. The calendar year
17 annual maximum amount of tax credits which may be issued to a
18 qualifying company that also participates in a job training
19 program shall be increased by an amount equivalent to the
20 withholding tax retained by that company under a jobs training
21 program.

22 3. A qualified company receiving benefits under this
23 program shall provide an annual report of the number of jobs and
24 such other information as may be required by the department to
25 document the basis for program benefits available no later than
26 90 days prior to the end of the qualified company's tax year
27 immediately following the tax year for which the benefits
28 provided under the program are attributed. In such annual

1 report, if the average wage is below the applicable percentage of
2 the county average wage, the qualified company has not maintained
3 the employee insurance as required, or if the number of jobs is
4 below the number required, the qualified company shall not
5 receive tax credits or retain the withholding tax for the balance
6 of the project period. Failure to timely file the annual report
7 required under this section shall result in the forfeiture of tax
8 credits attributable to the year for which the reporting was
9 required and a recapture of withholding taxes retained by the
10 qualified company during such year.

11 4. The department may withhold the approval of any benefits
12 under this program until it is satisfied that proper
13 documentation has been provided, and shall reduce the benefits to
14 reflect any reduction in full-time employees or payroll. Upon
15 approval by the department, the qualified company may begin the
16 retention of the withholding taxes when it reaches the required
17 number of jobs and the average wage meets or exceeds the
18 applicable percentage of county average wage. Tax credits, if
19 any, may be issued upon satisfaction by the department that the
20 qualified company has exceeded the applicable percentage of
21 county average wage and the required number of jobs.

22 5. Any qualified company approved for benefits under this
23 program shall provide to the department, upon request, any and
24 all information and records reasonably required to monitor
25 compliance with program requirements. This program shall be
26 considered a business recruitment tax credit under subdivision
27 (4) of subsection 2 of section 135.800, and any qualified company
28 approved for benefits under this program shall be subject to the

1 provisions of section 135.800 to 135.830.

2 6. Any taxpayer who is awarded benefits under this program
3 who knowingly hires individuals who are not allowed to work
4 legally in the United States shall immediately forfeit such
5 benefits and shall repay the state an amount equal to any state
6 tax credits already redeemed and any withholding taxes already
7 retained.

8 7. The maximum amount of tax credits that may be authorized
9 under this program for any fiscal year shall be limited as
10 follows, less the amount of any tax credits previously obligated
11 for that fiscal year under any of the tax credit programs
12 referenced in subsection 13 of this section:

13 (1) For the fiscal year beginning on July 1, 2013, but
14 ending on or before June 30, 2014, no more than one hundred and
15 six million dollars in tax credits may be authorized;

16 (2) For the fiscal year beginning on July 1, 2014, but
17 ending on or before June 30, 2015, no more than one hundred and
18 eleven million dollars in tax credits may be authorized; and

19 (3) For any fiscal year beginning on or after July 1, 2015,
20 no more than one hundred and sixteen million dollars in tax
21 credits may be authorized for each fiscal year.

22 8. For tax credits for the creation of new jobs under
23 section 620.2010, the department shall allocate the annual tax
24 credits based on the date of the approval, reserving such tax
25 credits based on the department's best estimate of new jobs and
26 new payroll of the project, and any other applicable factors in
27 determining the amount of benefits available to the qualified
28 company under this program. However, the annual issuance of tax

1 credits shall be subject to annual verification of actual payroll
2 by the department. Any authorization of tax credits shall expire
3 if, within two years from the date of commencement of operations,
4 or approval if applicable, the qualified company has failed to
5 meet the applicable minimum job requirements. The qualified
6 company may retain authorized amounts from the withholding tax
7 under the project once the applicable minimum job requirements
8 have been met for the duration of the project period. No
9 benefits shall be provided under this program until the qualified
10 company meets the applicable minimum new job requirements. In
11 the event the qualified company does not meet the applicable
12 minimum new job requirements, the qualified company may submit a
13 new notice of intent or the department may provide a new approval
14 for a new project of the qualified company at the project
15 facility or other facilities.

16 9. Tax credits provided under this program may be claimed
17 against taxes otherwise imposed by chapters 143 and 148, and may
18 not be carried forward, but shall be claimed within one year of
19 the close of the taxable year for which they were issued. Tax
20 credits provided under this program may be transferred, sold, or
21 assigned by filing a notarized endorsement thereof with the
22 department that names the transferee, the amount of tax credit
23 transferred, and the value received for the credit, as well as
24 any other information reasonably requested by the department.
25 For a qualified company with flow-through tax treatment to its
26 members, partners, or shareholders, the tax credit shall be
27 allowed to members, partners, or shareholders in proportion to
28 their share of ownership on the last day of the qualified

1 company's tax period.

2 10. Prior to the issuance of tax credits or the qualified
3 company beginning to retain withholding taxes, the department
4 shall verify through the department of revenue and any other
5 applicable state department, that the tax credit applicant does
6 not owe any delinquent income, sales, or use tax or interest or
7 penalties on such taxes, or any delinquent fees or assessments
8 levied by any state department and through the department of
9 insurance, financial institutions and professional registration
10 that the applicant does not owe any delinquent insurance taxes or
11 other fees. Such delinquency shall not affect the approval,
12 except that any tax credits issued shall be first applied to the
13 delinquency and any amount issued shall be reduced by the
14 applicant's tax delinquency. If the department of revenue, the
15 department of insurance, financial institutions and professional
16 registration, or any other state department concludes that a
17 taxpayer is delinquent after June fifteenth but before July first
18 of any year and the application of tax credits to such
19 delinquency causes a tax deficiency on behalf of the taxpayer to
20 arise, then the taxpayer shall be granted thirty days to satisfy
21 the deficiency in which interest, penalties, and additions to tax
22 shall be tolled. After applying all available credits toward a
23 tax delinquency, the administering agency shall notify the
24 appropriate department and that department shall update the
25 amount of outstanding delinquent tax owed by the applicant. If
26 any credits remain after satisfying all insurance, income, sales,
27 and use tax delinquencies, the remaining credits shall be issued
28 to the applicant, subject to the restrictions of other provisions

1 of law.

2 11. The director of revenue shall issue a refund to the
3 qualified company to the extent that the amount of tax credits
4 allowed under this program exceeds the amount of the qualified
5 company's tax liability under chapter 143 or 148.

6 12. An employee of a qualified company shall receive full
7 credit for the amount of tax withheld as provided in section
8 143.211.

9 13. Notwithstanding any provision of law to the contrary,
10 beginning August 28, 2013, no new benefits shall be authorized
11 for any project that had not received from the department a
12 proposal or approval for such benefits prior to August 28, 2013,
13 under the development tax credit program created under sections
14 32.100 to 32.125, the rebuilding communities tax credit program
15 created under section 135.535, the enhanced enterprise zone tax
16 credit program created under sections 135.950 to 135.973, and the
17 Missouri quality jobs program created under sections 620.1875 to
18 620.1890. The provisions of this subsection shall not be
19 construed to limit or impair the ability of any administering
20 agency to authorize or issue benefits for any project that had
21 received an approval or a proposal from the department under any
22 of the programs referenced in this subsection prior to August 28,
23 2013, or the ability of any taxpayer to redeem any such tax
24 credits or to retain any withholding tax under an approval issued
25 prior to that date. The provisions of this subsection shall not
26 be construed to limit or in any way impair the ability of any
27 governing authority to provide any local abatement or designate a
28 new zone under the enhanced enterprise zone program created by

1 sections 135.950 to 135.963. Notwithstanding any provision of
2 law to the contrary, no qualified company that is awarded
3 benefits under this program shall:

4 (1) Simultaneously receive benefits under the programs
5 referenced in this subsection at the same capital investment; or

6 (2) Receive benefits under the provisions of section
7 620.1910 for the same jobs.

8 14. If any provision of sections 620.2000 to 620.2020 or
9 application thereof to any person or circumstance is held
10 invalid, the invalidity shall not affect other provisions or
11 application of these sections which can be given effect without
12 the invalid provisions or application, and to this end, the
13 provisions of sections 620.2000 to 620.2020 are hereby declared
14 severable.

15 15. By no later than January 1, 2014, and the first day of
16 each calendar quarter thereafter, the department shall present a
17 quarterly report to the general assembly detailing the benefits
18 authorized under this program during the immediately preceding
19 calendar quarter to the extent such information may be disclosed
20 under state and federal law. The report shall include, at a
21 minimum:

22 (1) A list of all approved and disapproved applicants for
23 each tax credit;

24 (2) A list of the aggregate amount of new or retained jobs
25 that are directly attributable to the tax credits authorized;

26 (3) A statement of the aggregate amount of new capital
27 investment directly attributable to the tax credits authorized;

28 (4) Documentation of the estimated net state fiscal benefit

1 for each authorized project and, to the extent available, the
2 actual benefit realized upon completion of such project or
3 activity; and

4 (5) The department's response time for each request for a
5 proposed benefit award under this program.

6 16. The department may adopt such rules, statements of
7 policy, procedures, forms, and guidelines as may be necessary to
8 carry out the provisions of sections 620.2000 to 620.2020. Any
9 rule or portion of a rule, as that term is defined in section
10 536.010, that is created under the authority delegated in this
11 section shall become effective only if it complies with and is
12 subject to all of the provisions of chapter 536 and, if
13 applicable, section 536.028. This section and chapter 536 are
14 nonseverable and if any of the powers vested with the general
15 assembly pursuant to chapter 536 to review, to delay the
16 effective date, or to disapprove and annul a rule are
17 subsequently held unconstitutional, then the grant of rulemaking
18 authority and any rule proposed or adopted after August 28, 2013,
19 shall be invalid and void.

20 17. Under section 23.253 of the Missouri sunset act:

21 (1) The provisions of the new program authorized under
22 sections 620.2000 to 620.2020 shall automatically sunset six
23 years after the effective date of this section unless
24 reauthorized by an act of the general assembly; and

25 (2) If such program is reauthorized, the program authorized
26 under this section shall automatically sunset twelve years after
27 the effective date of this reauthorization of sections 620.2000
28 to 620.2020; and

1 (3) Sections 620.2000 to 620.2020 shall terminate on
2 September first of the calendar year immediately following the
3 calendar year in which the program authorized under sections
4 620.2000 to 620.2020 is sunset.

5 Section 1. Notwithstanding the provisions of section 1.140
6 to the contrary, the provisions of sections 32.087, 144.020,
7 144.021, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525,
8 144.610, 144.613, and 144.615, as amended by this act, shall be
9 nonseverable, and if any provision is for any reason held to be
10 invalid, such decision shall invalidate all of the remaining
11 provisions of section 32.087, 144.020, 144.021, 144.069, 144.071,
12 144.440, 144.450, 144.455, 144.525, 144.610, 144.613, and
13 144.615, as amended by this act.

14 Section B. Because of the detrimental impact that lost
15 local revenues has had on the domestic economy by placing
16 Missouri dealers of motor vehicles, outboard motors, boats and
17 trailers at a competitive disadvantage to non-Missouri dealers of
18 motor vehicles, outboard motors, boats and trailers, the repeal
19 and reenactment of sections 32.087, 144.020, 144.021, 144.069,
20 144.071, 144.440, 144.450, 144.455, 144.525, 144.610, 144.613,
21 and 144.615 and the enactment of section 1 of this act is deemed
22 necessary for the immediate preservation of the public health,
23 welfare, peace and safety, and is hereby declared to be an
24 emergency act within the meaning of the constitution, and the
25 repeal and reenactment of sections 32.087, 144.020, 144.021,
26 144.069, 144.071, 144.440, 144.450, 144.455, 144.525, 144.610,
27 144.613, and 144.615 and the enactment of section 1 of this act
28 shall be in full force and effect upon its passage and approval.